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C O N F I D E N T I A L CARACAS 000301

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E.O. 12958: DECL: 02/28/2018  
TAGS: [MARR](#) [PGOV](#) [PREL](#) [VE](#)  
SUBJECT: CHAVEZ INSULATES VENEZUELAN ARMED FORCES FROM  
UNDESIRABLES

REF: IIR 6 902 0127 08

Classified By: Robert Downes, Political Counselor,  
for Reason 1.4(b) and (d).

¶1. (C) SUMMARY: The Venezuelan Army withdrew from hosting the 28th Conference of the Armies of the Americas (CAA) and declined its turn to serve as president of the organization on February 18, less than four weeks before the scheduled transfer ceremony. This is the fourth military conference in 12 months that Venezuela has declined to host at the last minute. Vague, or in some cases, no excuses were given. Recent administrative changes have stripped budget control from the uniformed service chiefs and given President Chavez control over funding these events. Contacts at other missions perceive President Chavez as refusing to participate with events involving the U.S. or Colombia. End Summary.

DON'T RSVP

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¶2. (C) On February 18, the commanding general of the National Bolivarian Army of Venezuela (NBAV), Carlos Jose Mata Figueroa, sent a letter to the Conference of the American Armies Permanent Executive Secretariat (PESCAA) in Brazil formally declining to host the next conference cycle (2008-2009). The duties of PESCAA rotate every two years with the presidency of the CAA and require close and regular contact with USARMYSOUTH in San Antonio, Texas. Venezuela had volunteered to host the upcoming cycle of the 20 nation conference. A formal transfer of the PESCAA headquarters from Brazil to Venezuela was scheduled for March 10, with the participation of all the commanding generals of the conference. The letter cited the NBAV's increased responsibilities for guaranteeing food security, planning and providing security for the upcoming November elections and contributing towards national development as reasons for the decision. Military contacts reported that Brazilian General Enzo Martins Peri was furious over Venezuela's actions, especially given that the start date had been changed to allow President Hugo Chavez to address the transfer ceremony.

¶3. (C) Venezuela has developed a pattern over the last year of committing to and then backing out of regional military obligations, often at the last minute. Previous declined events include the Strategic Intelligence Congress where they would have assumed chairmanship from Colombia, the Inter-American Naval Conference and the Inter-American Naval Conference for Intelligence Directors.

MONEY & MICRO-MANAGEMENT

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¶4. (C) President Chavez decided in July 2007 to centralize

the budget of the National Armed Forces (FAN through the Ministry of the Peoples Power for Defense (MOD). As a result, the Army, Navy and Air Force chiefs manage no budgets and all expenses incurred must be approved and paid for by the MOD. Large expenses, other than operations and maintenance, are approved personally by Chavez. Although the cost would be less than USD 500,000, a conference like the CAA falls under this category.

#### THE MOUSE THAT ROARED

15. (SBU) During the January summit of the Bolivarian Alternative for the Americas (ALBA) Chavez proposed a mutual defense pact with ALBA members Cuba, Nicaragua and Dominica because "We should work on a joint defense strategy because our enemy is the same -the United States Empire." Chavez has been promoting that idea since 2000 and in the days preceding the most recent ALBA summit he revived the old trope of Colombia and the U.S. invading Venezuela under "Plan Balboa", prompting Nicaraguan President Daniel Ortega to add, "To touch Venezuela is to set the region on fire."

#### THE NEIGHBORS

16. (C) Caracas-based Brazilian and Argentine diplomats recently characterized Venezuela's defense establishment as reluctantly withdrawing into its shell and an officer corps divided between the Chavistas and the professionals. The Argentine Charge d' Affaires observed that every Venezuelan officer who could was applying for the longest training period possible in Argentina. He added that he felt professional soldiers chaffed under the politicization of the officer corps and their use in social development missions. Brazilians diplomats speculate that Chavez is pulling away from any military activities that would require cooperation with the U.S. or Colombia.

DUDDY